

FY 2018 Proposed Budget



bringing it all together

**Public Information Meeting
February 23, 2017**



City Council Goals

- High Performing City Organization: Financially Sound, Providing Service Value
- Responsible Growth and Revitalization
- Preservation of Ankeny's Hometown Feel
- Ankeny as a Successful Business Center



Budget Strategies

- Support the goals and priorities outlined in the Strategic Plan
- No increase in tax rate
- Maintain service levels
- Reinvest in existing neighborhood infrastructure
- Evaluate opportunities for continued revenue diversification
- Further develop implementation plans for new city facilities, including staffing implications
- Examine short-term and long-term staffing needs



Budget Breakdown

- \$125 Million Total Budget
 - \$84 Million Operating Budget
 - General Fund - \$28 Million
 - Road Use Tax Fund - \$5 Million
 - Debt Service Fund - \$23 Million
 - Utility Funds - \$22 Million
 - All Other Funds - \$6 Million
 - \$41 Million CIP Budget



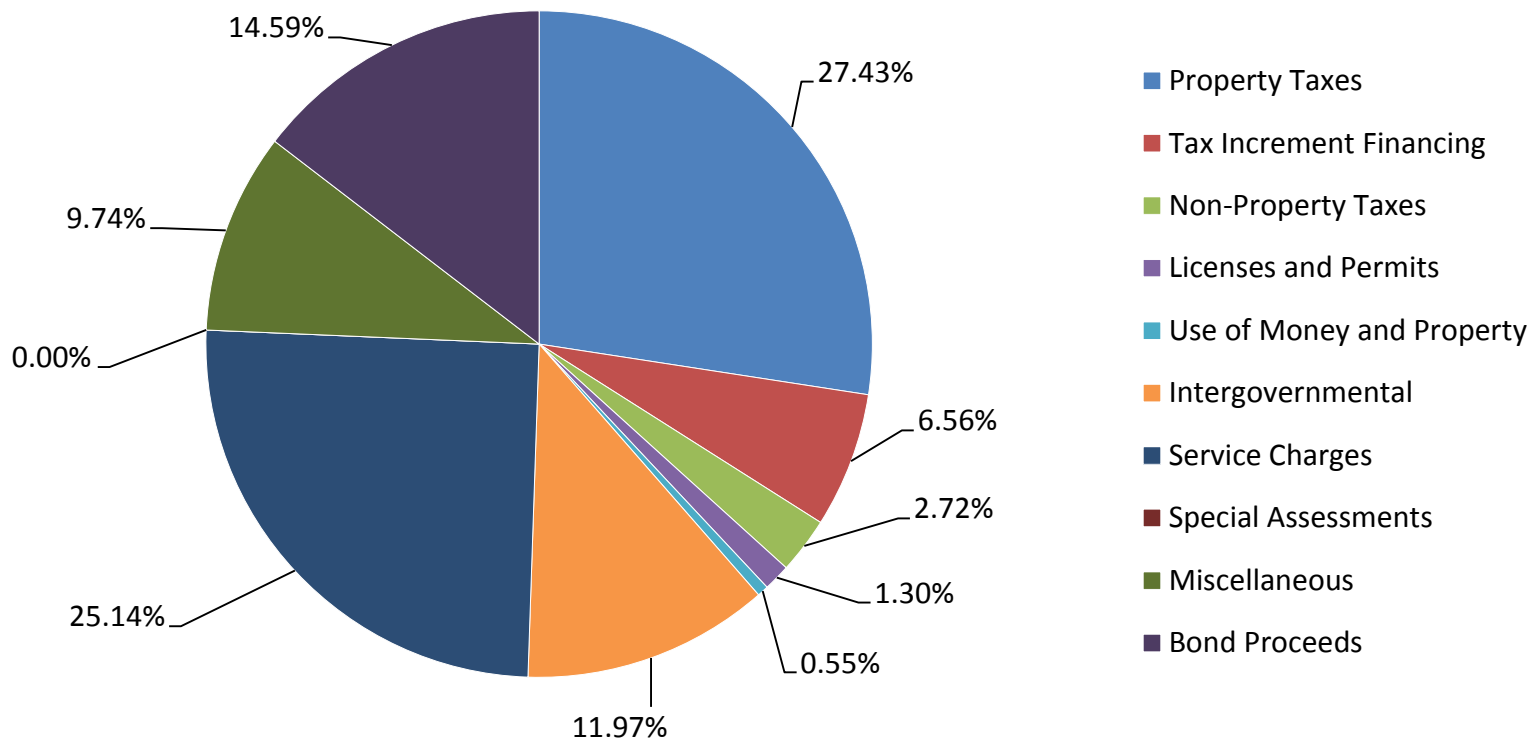
Revenues by Source

Revenue Source	FY 2018 Budget	FY 2017 Budget	Dollar Change	Percent Change
Property Taxes	\$34,087,183	\$31,977,682	\$2,109,501	6.60%
Tax Increment Financing	8,149,549	7,354,453	795,096	10.81%
Non-Property Taxes	3,381,596	3,325,601	55,995	1.68%
Licenses and Permits	1,619,500	2,187,400	(567,900)	-25.96%
Use of Money and Property	677,894	682,972	(5,078)	-0.74%
Intergovernmental	14,879,699	9,244,851	5,634,848	60.95%
Service Charges	31,237,598	30,531,155	706,443	2.31%
Special Assessments	1,000	48,000	(47,000)	-97.92%
Miscellaneous	12,104,818	7,815,304	4,289,514	54.89%
Bond Proceeds	18,124,105	25,934,490	(7,810,385)	-30.12%
Total	\$124,262,942	\$119,101,908	\$5,161,034	4.33%

bringing it all together



Revenues by Source



bringing it all together



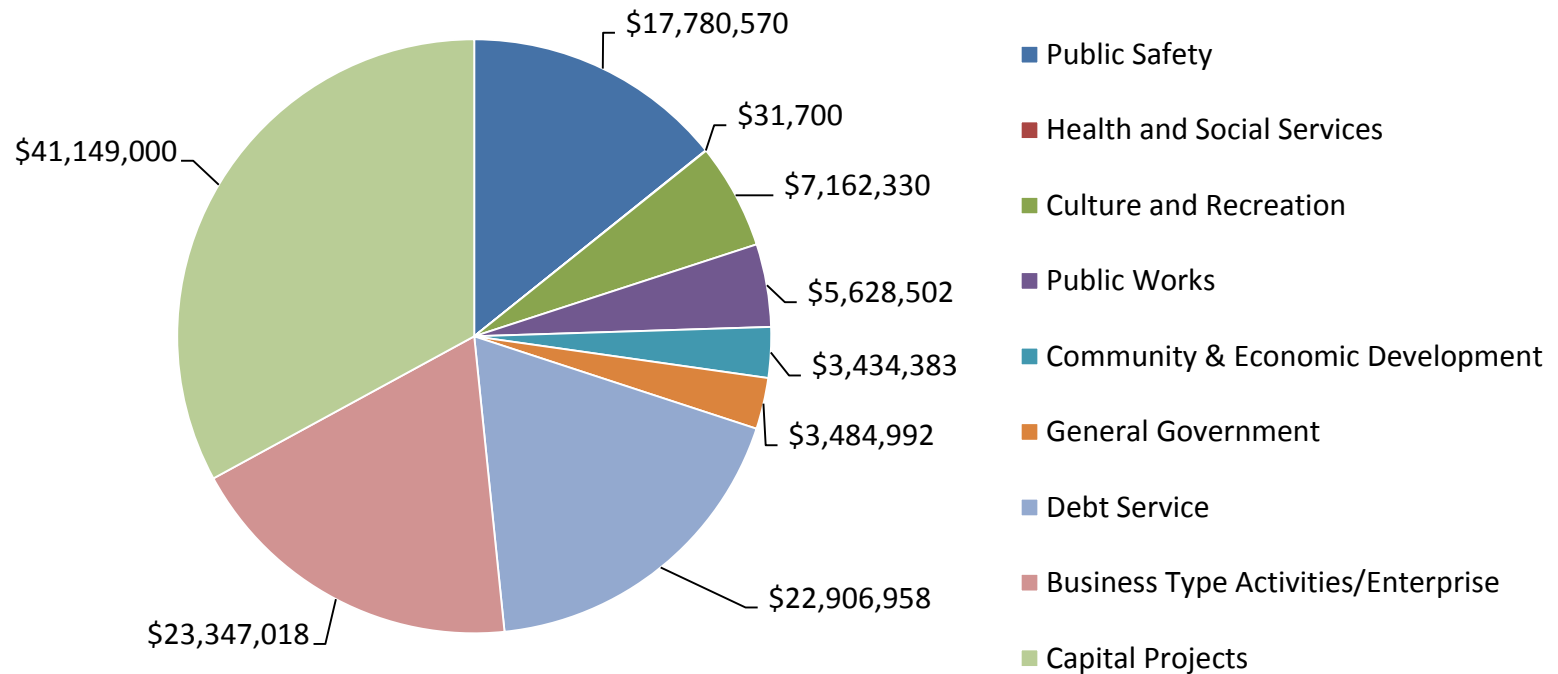
Expenditures By Program

Expenditures	FY 2018 Budget	FY 2017 Budget	Dollar Change	Percent Change
Public Safety	\$17,780,570	\$16,069,227	\$1,711,343	10.65%
Health and Social Services	31,700	31,700	0	0.00%
Culture and Recreation	7,162,330	6,767,608	394,722	5.83%
Public Works	5,628,502	5,337,955	290,547	5.44%
Community & Economic Development	3,434,383	2,936,035	498,348	16.97%
General Government	3,484,992	3,382,237	102,755	3.04%
Debt Service	22,906,958	21,698,816	1,208,142	5.57%
Business Type Activities	23,347,018	23,998,886	(651,868)	-2.72%
Capital Projects	41,149,000	26,551,000	14,598,000	54.98%
Total	\$124,925,453	\$106,773,464	\$18,151,989	17.00%

bringing it all together



Expenditures By Program



bringing it all together



Budget Highlights

1. Taxable Assessed Valuation Growth

- 7.28% regular valuation
- 7.57% debt service valuation

2. Rollback Changes

- Increase in residential rollback from 55.63% to 56.94%
- No change in commercial, industrial and railroad rollback
- Decrease in multi-residential rollback from 86.25% to 82.50%



Budget Highlights

3. Commercial and Industrial Replacement

- Backfill is capped statewide at the FY 2017 appropriation, resulting in a proration estimated at 96 percent for FY 2018
- State backfill estimated at \$1,038,032

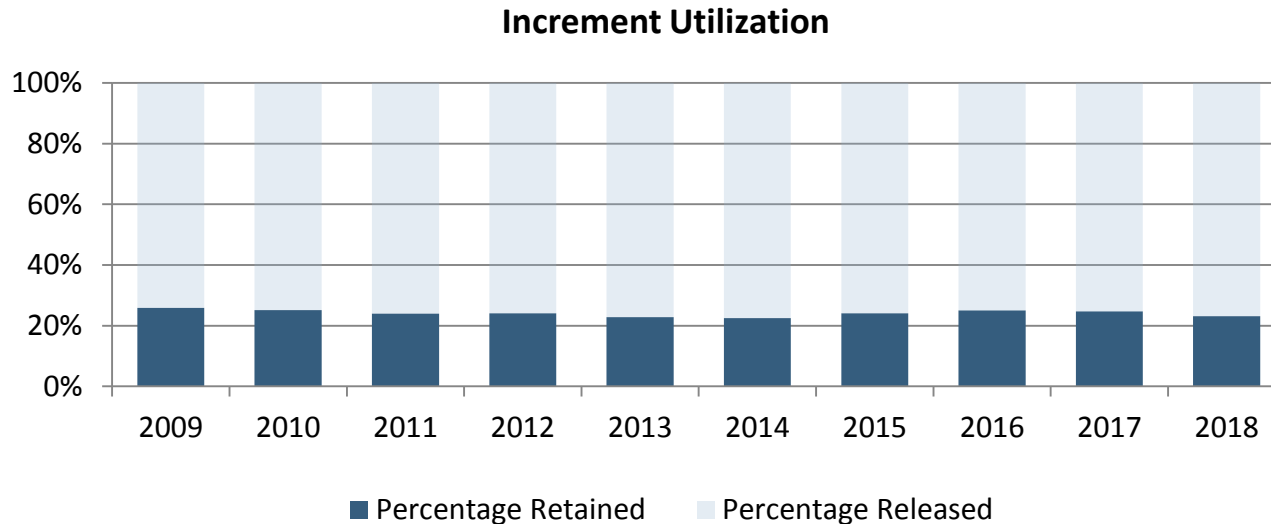
Tax Levies	Backfill Amount	Tax Rate Equivalent
General	\$ 604,999	\$ 0.21137
Aviation Authority	13,365	0.00467
Police & Fire Retirement	49,897	0.01743
Debt Service	369,771	0.11863
Total State Backfill	\$ 1,038,032	\$ 0.35210



Budget Highlights

4. Use of Tax Increment Financing

- 24% of available TIF increment reserved by the City
- 76% of available TIF increment released to all other taxing jurisdictions (i.e. school district, county, etc.)





Budget Highlights

5. Local Economy

- Strong taxable valuation growth
- Increasing economic development opportunities
- Record breaking building permit activity

Calendar Year	Residential		Commercial	
	Number	Value	Number	Value
2016	1,281	294,900,482	18	48,885,982
2015	929	201,259,673	31	44,176,393
2014	1,011	205,569,149	36	44,367,457
2013	859	191,833,192	26	34,233,742
2012	1,031	178,308,822	33	73,674,050
2011	580	107,047,822	15	19,062,235
2010	523	106,078,166	17	10,060,900
2009	422	82,430,948	11	12,251,100
2008	372	68,646,221	21	42,473,891
2007	581	107,924,995	26	38,933,191

Taxes on value of permits issued in CY 2016 will be collectible in FY 2018.



Budget Highlights

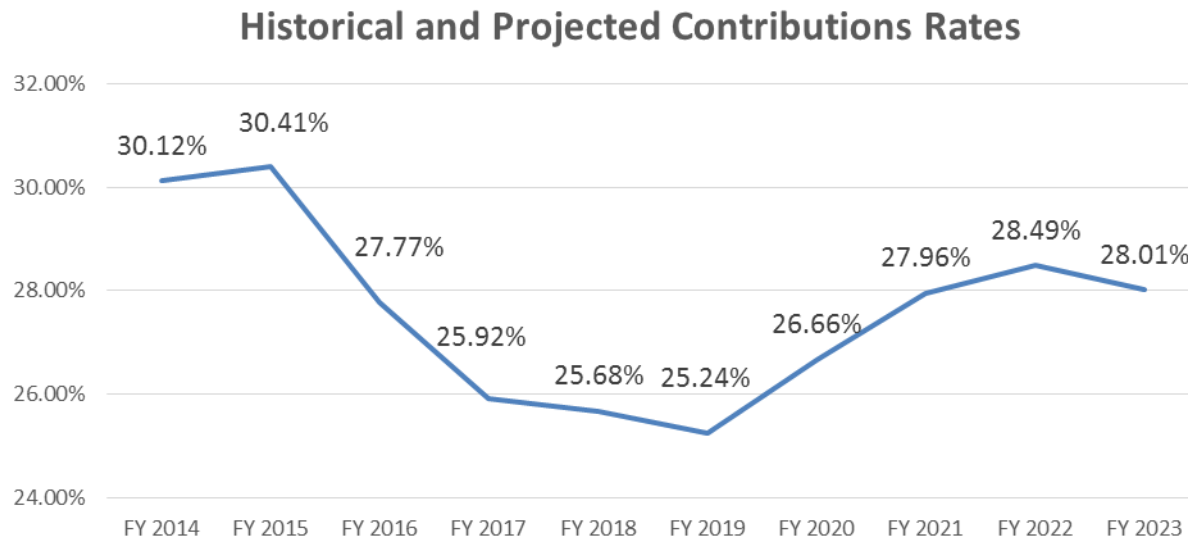
6. Personnel Costs

- Funds new positions, including 10.71 new FTE
 - Patrol Officer – School Resource Officer (2)
 - Fire Captain (3)
 - Code Enforcement Officer I
 - Combination Inspector I (Part-Time)
 - Combination Inspector II
 - Facilities Maintenance Technician
 - Civil Engineer I
 - Water Utilities Operator III
- Funds the classification and compensation study implementation
- Funds the final year of union contracts
- Addresses pension costs
 - IPERS regular and protected class contribution rates remain unchanged at 8.93%



Budget Highlights

- MFPRSI contribution rate decreases from 25.92% to 25.68%
- MFPRSI contribution rate history and projections:





Budget Highlights

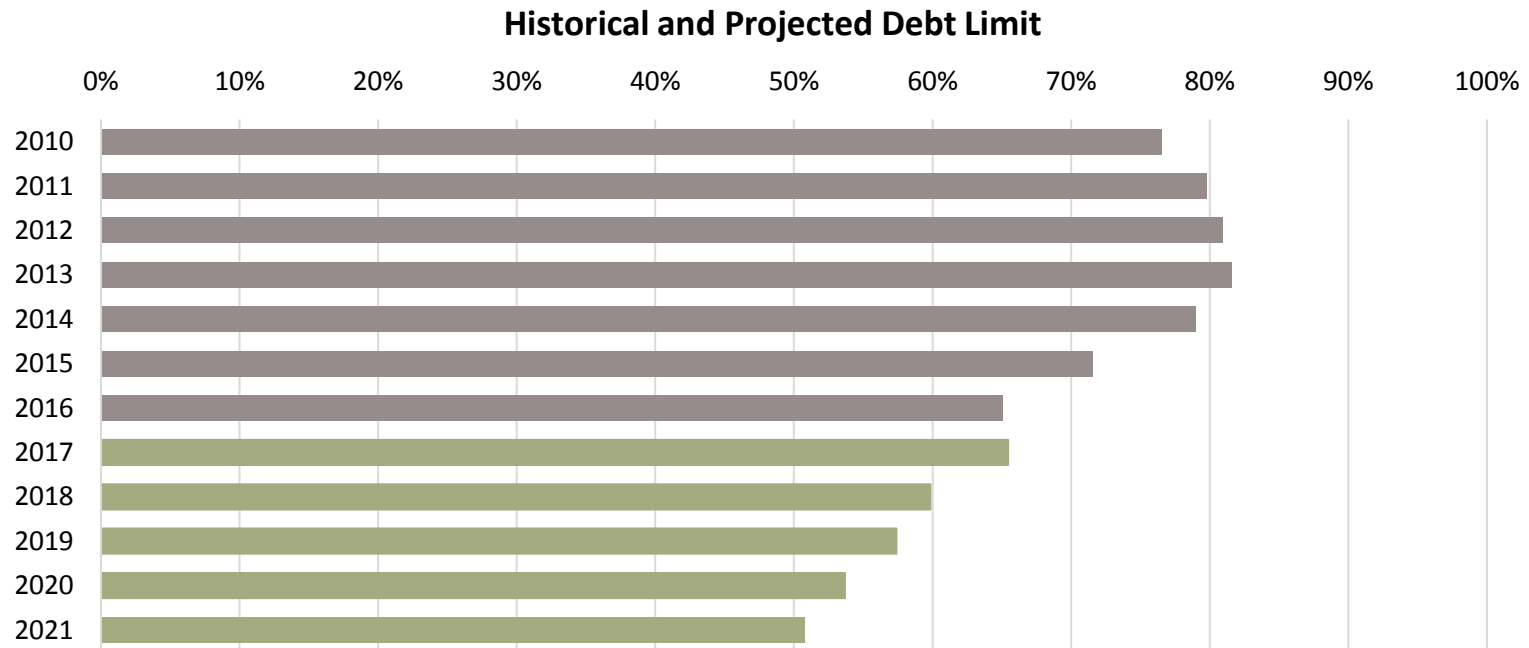
7. Debt Service

- Projects further reduction in the constitutional debt limit
- Addresses facility needs, including elimination of leased facilities and constructing Fire Station No. 3, Library and renovation of the Kirkendall Public Library into office space
- Reduces borrowing for capital projects through the use of general fund and road use tax revenues
- Reduces the debt service levy from \$4.25 to \$4.15 per \$1,000 of taxable property valuation



Budget Highlights

- FY 2013 highest debt utilization at 82% of debt limit
- FY 2021 expected to be lowest debt utilization at 51% of debt limit
- Decreased 17 percentage points from FY 2013 to FY 2016





Budget Highlights

8. Infrastructure Needs

- Focuses on improved maintenance
 - Increased broadleaf applications
 - Increased median and ROW maintenance
 - Older Parks Renovation Plan
- Funds the 2017-2021 Capital Improvement Program
 - NE 36th Street Reconstruction
 - SE Oralabor Road and SE Delaware Avenue Intersection Improvements
 - West First Street & Highway 415 Traffic Signal
 - NW Irvinedale Drive & NW 18th Street Temporary Traffic Signal
 - SW Prairie Trail Parkway – FFA Enrichment Center to SW School Street
 - The District at Prairie Trail – SW Campustown Drive and SW Merchant Street
 - NW Booster Station
 - Tradition Detention Basin and Channel Improvements
- Continues transfer to the capital projects reserve fund



Budget Summary

- Municipal utility rates
 - Solid waste - \$0.09 per month increase (estimated)
 - Water utility – 9.50% rate increase
 - Sewer utility – no rate increase
 - Storm water utility - no rate increase
- Decrease in the overall property tax levy

Tax Levies	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
General	\$ 7.03	\$ 6.89	\$ 6.89	\$ 6.79	\$ 6.79
Aviation Authority	0.15	0.15	0.15	0.15	0.15
Police & Fire Retirement	0.50	0.56	0.56	0.56	0.56
Debt Service	4.35	4.30	4.25	4.25	4.15
Total Property Tax Levy	\$ 12.03	\$ 11.90	\$ 11.85	\$ 11.75	\$ 11.65



Change in Cost of City Government

Increased Annual Cost to \$180,000* Home For City Services

Property Tax	\$18
Franchise Fee	\$0
Solid Waste	\$1
Water	\$49
Sewer	\$0
Storm Water	<u>\$0</u>

Total Increased Cost +\$68

Increased Annual Cost to \$1 Million Business For City Services

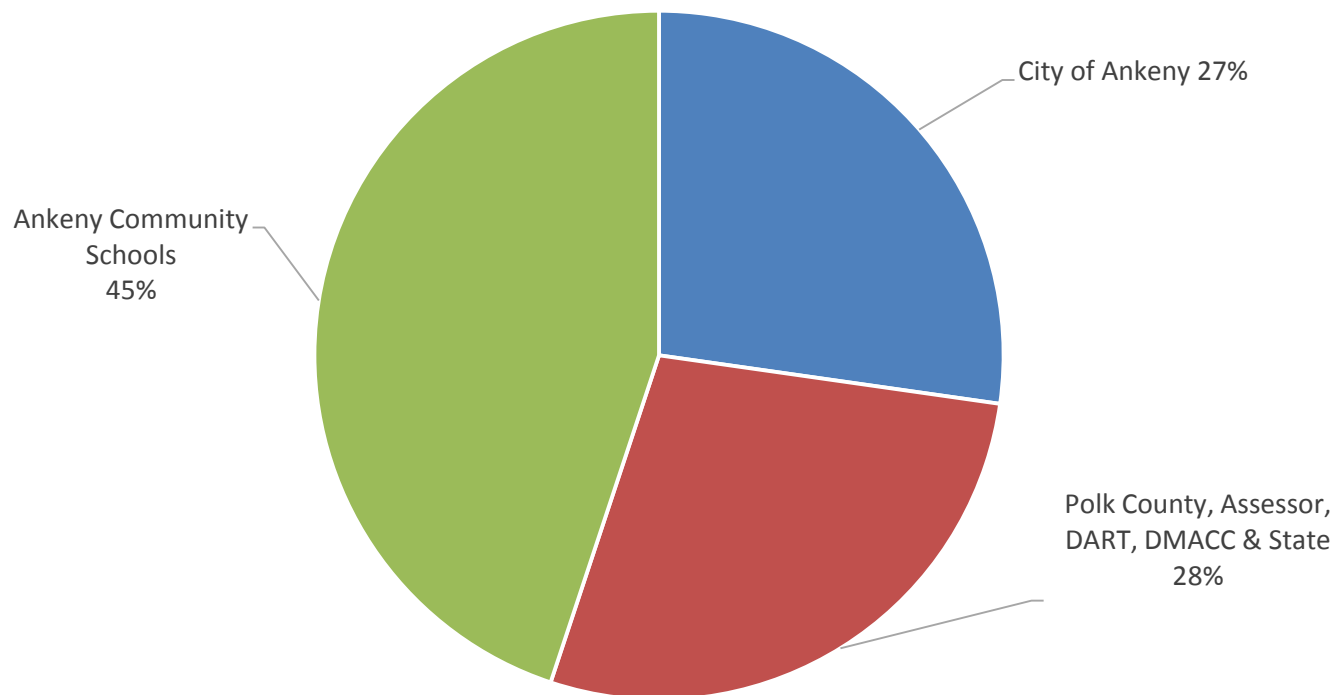
Property Tax	-\$90
Franchise Fee	\$0
Solid Waste	N/A
Water	\$133
Sewer	\$0
Storm Water	<u>\$0</u>

Total Increased Cost +\$43

* Median assessed valuation – Polk County Assessor's Office



Property Tax Distribution



Source: Iowa Department of Management



Question & Answer

Public Hearing: March 6, 2017

City Hall at 5:30 p.m.



You Tube

Budget information available online at www.ankenyiowa.gov

bringing it all together